



THE CITY OF SAN DIEGO

DATE: May 28, 2009

TO: Honorable City Councilmember Marti Emerald

FROM: Eduardo Luna, City Auditor

SUBJECT: **Request for Purchasing and Contracting Department Audit**

On May 14, 2009, you requested that my office conduct a performance audit of the Purchasing and Contracting Department in the attached memo. I would like to bring to your attention that my office has already initiated an audit of the Purchasing and Contracting Department, which is listed on our Fiscal Year 2009 Audit Work Plan. This audit is in the planning phase, and I will make sure to address the concerns you raised related to internal controls and performance measures. We expect to complete this audit during the fall 2009.

Aside from the current on-going audit of the Purchasing and Contracting Department, we also reviewed contracting related issues during our audit of the fire debris removal program to clear homes destroyed in the wildfires. Furthermore, as part of efforts to follow-up on Kroll-related recommendations, we are reviewing the remediation of internal controls related to the Purchasing and Contracting function.

Eduardo Luna
City Auditor

cc: Honorable Mayor Jerry Sanders
Honorable City Council Members
Honorable Audit Committee Members
Andrea Tevlin, Independent Budget Analyst



City Of San Diego
COUNCILMEMBER MARTI EMERALD
DISTRICT SEVEN

MEMORANDUM

DATE: May 14, 2009 REF: M-09-05-07
TO: Eduardo Luna, Independent Auditor
FROM: Councilmember Marti Emerald
SUBJECT: Purchasing and Contracts Department Director Hildred Pepper

I understand that Mayor Sanders has already requested an audit on the hiring practices used to employ Purchasing and Contracts Director Hildred Pepper.

At this time, I would like to request your office also undertake a performance audit of Director Pepper and the Purchasing and Contracts Department. I am interested in the Department's productivity and effectiveness since Mr. Pepper was hired in March 2008. I would also like to see an evaluation of the placement and use of internal controls. Has there been any improvement over the past year as compared to previous years? Do you have any concerns about internal controls?

Thank you for your attention to this matter. I look forward to seeing your report.

ME/xj

cc: Honorable Jerry Sanders
Honorable City Council Members
Andrea Tevlin, IBA